

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2012-0025**

AUTHORIZING THE REFUNDING OF THE SERIES 2002 CLEAN WATER STATE REVOLVING FUND (CWSRF) REVENUE BONDS (2002 BONDS) IN THE ESTIMATED AMOUNT OF ONE-HUNDRED FOURTEEN MILLION DOLLARS (\$114,000,000) AND REAUTHORIZING THE SALE OF UP TO THREE HUNDRED MILLION DOLLARS (\$300,000,000 PAR VALUE) OF NEW REVENUE BONDS FOR THE CWSRF

WHEREAS:

1. In 2002, the State Water Resources Control Board (State Water Board) leveraged the CWSRF by pledging 98 CWSRF loans as security for a \$300 million bond sale;
2. In [Resolution No. 2002-0108](#), the State Water Board authorized the sale of an additional \$300 million worth of bonds;
3. The additional bonds have not yet been sold;
4. The first optional redemption for the 2002 Bonds is October 1, 2012;
5. The Division has been working with a financial advisor, the California Infrastructure and Economic Development Bank (I-Bank), and the Division of Administrative Services to determine the need for additional bonds;
6. Current market interest rates indicate a significant savings for the CWSRF program by refunding the 2002 Bonds;
7. While a cash redemption would result in more savings than a refunding, refunding the 2002 Bonds would better position the CWSRF program for future bond sales for new CWSRF money, should new CWSRF money become necessary;
8. The CWSRF program's cash projections indicate an eventual need for new money; and
9. The I-Bank has the authority to sell CWSRF bonds on behalf of the State Water Board pursuant to Article 6, Chapter 2, Division 1, Title 7 of the Government Code.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Authorizes the sale of bonds in the estimated amount of \$114 million in order to refund the 2002 Bonds.

2. Reauthorizes the sale of up to \$300,000,000 par value in new revenue bonds for the CWSRF, as necessary.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on June 5, 2012.

AYE: Chairman Charles R. Hoppin
Vice Chair Frances Spivy-Weber
Board Member Tam M. Doduc
Board Member Steven Moore

NAY: None

ABSENT: None

ABSTAIN: None



Jeanine Townsend
Clerk to the Board